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ORDER E-FILED: 3/27/2007

Attorney for Plaintiff
IO GROUP, INC.

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION**

IO GROUP, INC., a California corporation,)	CASE NO: C-06-05334 (HRL)
)	
Plaintiff,)	
)	STIPULATED PROTECTIVE ORDER
vs.)	(MODIFIED BY THE COURT)
)	
WEBNOVAS TECHNOLOGIES, INC., a)	Trial Date: December 10, 2007
Canadian business entity type unknown,)	Final Pretrial Conf.: December 4, 2007
and GONETMARKET INC., a Nevada)	
corporation,)	
)	
Defendants.)	

1. PURPOSES AND LIMITATIONS

Disclosure and discovery activity in this action are likely to involve production of confidential, proprietary, or private information for which special protection from public disclosure and from use for any purpose other than prosecuting this litigation would be warranted. Accordingly, the parties hereby stipulate to and petition the court to enter the following Stipulated Protective Order. The parties acknowledge that this Order does not confer blanket protections on all disclosures or responses to discovery and that the protection it affords extends only to the limited information or items that are entitled under the applicable legal principles to treatment as confidential. The parties further acknowledge, as set forth in Section 10 below, that this Stipulated

1 Protective Order creates no entitlement to file confidential information under seal; Civil Local
2 Rule 79-5 sets forth the procedures that must be followed and reflects the standards that will be
3 applied when a party seeks permission from the court to file material under seal.

4 5 **2. DEFINITIONS**

6 2.1 Party: any party to this action, including all of its officers, directors, employees,
7 consultants, retained experts, and outside counsel (and their support staff).

8 2.2 Disclosure or Discovery Material: all items or information, regardless of the
9 medium or manner generated, stored, or maintained (including, among other things, testimony,
10 transcripts, or tangible things) that are produced or generated in disclosures or responses to
11 discovery in this matter.

12 2.3 "Confidential Information or Items" is limited to information that concerns or
13 relates to a trade secret or other confidential research, development or commercial information the
14 disclosure of which may cause significant harm to the competitive position of the producing party.

15 2.4 "Highly Confidential – Attorneys' Eyes Only" Information or Items: extremely
16 sensitive "Confidential Information or Items" whose disclosure to another Party or non-party
17 would create a substantial risk of serious injury that could not be avoided by less restrictive means.

18 2.5 Receiving Party: a Party that receives Disclosure or Discovery Material from a
19 Producing Party.

20 2.6 Producing Party: a Party or non-party that produces Disclosure or Discovery
21 Material in this action.

22 2.7 Designating Party: A Party or non-party that designates information or items that it
23 produces in disclosures or in responses to discovery as "Confidential" or "Highly Confidential –
24 Attorneys' Eyes Only".

25 2.8 Protected Material: any Disclosure or Discovery Material that is designated as
26 "Confidential" or "Highly Confidential – Attorneys' Eyes Only".

27 2.9 Outside Counsel: attorneys who are not employees of a Party but who are retained
28 to represent or advise a Party in this action.

2.10 House Counsel: attorneys who are employees of a Party

2.11 Counsel (without qualifiers): Outside Counsel and House Counsel (as well as their support staffs).

2.12 Expert: a person with specialized knowledge or experience in a matter pertinent to the litigation who has been retained by a Party or its counsel to serve as an expert witness or as a consultant in this action and who is not a past or a current employee of a Party or of a competitor of a Party and who, at the time of retention, is not anticipated to become an employee of a Party or a competitor of a Party. This definition includes a profession jury or trial consultant retained in connection with this litigation.

2.13 Professional Vendors: persons or entities that provide litigation support services (e.g. photocopying; videotaping; translating; preparing exhibits or demonstrations; organizing, storing, retrieving data in any form or medium; etc.) and their employees and subcontractors.

3. SCOPE

The protection conferred by this Stipulation and Order cover not only Protected Material (as defined above), but also any information copied or extracted therefrom, as well as all copies, excerpts, summaries, or compilations thereof, plus testimony, conversations, or presentations by parties or counsel to or in court or in other settings that might reveal Protected Material.

4. DURATION

Even after the termination of this litigation, the confidentiality obligations imposed by this Order shall remain in effect until a Designating Party agrees otherwise in writing or a court order otherwise directs. For a period of six months after the final termination of this action, this court will retain jurisdiction to enforce the terms of this order.

5. DESIGNATING PROTECTED MATERIAL

5.1 Exercise of Restraint and Care in Designating Material for Protection.

Each Party or non-party that designates information or items for protection under this Order must take care to limit any such designation to specific material that qualifies under the appropriate standards. A Designating Party must take care to designate for protection only those parts of material, documents, ~~times~~ ^{items}, or oral or written communications that qualify so that other portions of the material, documents, items or communications for which protection is not warranted are not swept unjustifiably within the ambit of this Order.

Mass, indiscriminate, or routinized designations are prohibited. Designations that are shown to be clearly unjustified, or that have been made for improper purpose (*e.g.*, to unnecessarily encumber or retard the case development process, or to impose unnecessary expenses and burdens on other parties), expose the Designating Party to sanctions.

If it comes to a Party's or non-party's attention that information or items that it designated for protection do not qualify for protection at all, or do not qualify for the level of protection initially asserted, that party or non-party must promptly notify all other parties that it is withdrawing the mistaken designation.

5.2 Manner and Timing of Designations. Except as otherwise provided in this Order (*e.g.*, second paragraph of section 5.2(a), below), or as otherwise stipulated or ordered, material that qualifies for protection under this Order must be clearly so designated before the material is disclosed or produced.

Designation in conformity with this Order requires:

(a) for information in documentary form (apart from transcripts of depositions or other pretrial or trial proceedings), that the Producing Party affix the legend "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL – ATTORNEYS' EYES ONLY" on each page that contains protected material. If only a portion or portions of the material on a page qualifies for protection, the Producing Party also must clearly identify the protected portions(s) (*e.g.*, by making appropriate markings in the margins) and must specify, for each portion, the level of protection being asserted (either "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL – ATTORNEYS' EYES ONLY")

(b) for testimony given in deposition or in other pretrial or trial proceedings, that the Party or non-party offering or sponsoring the testimony identify on the record, before the close of the deposition, hearing, or other proceeding, all protected testimony, and further specify any portions of the testimony that qualify as “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY”. When it is impractical to identify separately each portion of testimony that is entitled to protection, and when it appears that substantial portions of the testimony that is entitled to protection, and when it appears that substantial portions of the testimony may qualify for protection, the Party or non-party that sponsors, offers, or gives the testimony may invoke on the record (before the deposition or proceeding is concluded) a right to have up to 20 days after receipt of the official transcript of the testimony to identify the specific portions of the testimony as to which protection is sought to specify the level of protection being asserted (“CONFIDENTIAL” or “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY”). Only those portions of the testimony that are appropriately designated for protection within the 20 days shall be covered by the provisions of this Stipulated Protective Order.

Transcript pages containing Protected Material must be separately bound by the court reporter, who must affix to each such page the legend “CONFIDENTIAL” or “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY”, as instructed by the Party or non-party offering or sponsoring the witness or presenting the testimony.

(c) for information produced in some form other than documentary and for any other tangible items, that the Producing Party affix in a prominent place on the exterior of the container or containers in which the information or item is stored the legend “CONFIDENTIAL” or “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY”. If only portions of the information or item warrant protection, the Producing Party, to the extent practicable, shall identify the protected portions, specifying whether they qualify as “Confidential” or as “Highly Confidential – Attorneys’ Eyes Only”.

5.3 Inadvertent Failures to Designate. If timely corrected, an inadvertent failure to designate qualified information or items as “Confidential” or as “Highly Confidential – Attorneys’ Eyes Only” does not, standing alone, waive the Designation Party’s right to secure protection

1 under this Order for such material. If material is appropriately designated as “Confidential” or as
2 “Highly Confidential – Attorneys’ Eyes Only” after the material was initially produced, the
3 Receiving Party, on timely notification of the designation, must make reasonable efforts to assure
4 that the material is treated in accordance with the provision of this Order.

5
6 **6. CHALLENGING CONFIDENTIALITY DESIGNATIONS**

7 6.1 Timing of Challenges. Unless a prompt challenge to a Designating Party’s
8 confidentiality designation is necessary to avoid foreseeable substantial unfairness, unnecessary
9 economic burdens, or a later significant disruption or delay of the litigation, a Party does not
10 waive its right to challenge a confidentiality designation by election not to mount a challenge
11 promptly after the original designation is disclosed.

12 6.2 Meet and Confer. A Party that elects to initiate a challenge to Designating Party’s
13 confidentiality designation must do so in good faith and must begin the process by conferring
14 directly (in voice to voice dialogue) with counsel for the Designation Party. In conferring, the
15 challenging Party must explain the basis for its belief that the confidentiality designation was not
16 proper and must give the Designation party an opportunity to review the designated material, to
17 reconsider the circumstances, and, if no change in designation is offered, to explain the basis for
18 the chosen designation. A challenging Party may proceed to the next stage of the challenge
19 process only if it has engaged in this meet and confer process first.

20 6.3 Judicial Intervention. A Party that elects to press a challenge to a confidentiality
21 designation after considering the justification offered by the Designating Party may file and serve
22 a motion under Civil Local Rule 7 (and in compliance with Civil Local Rule 79-5, if applicable)
23 that identifies the challenged material and sets forth in detail the basis for the challenge. Each such
24 motion must be accompanied by a competent declaration that affirms that the movant has
25 complied with the meet and confer requirements imposed in the preceding paragraph and that sets
26 forth with specificity the justification for the confidentiality designation that was given by the
27 Designation Party in the meet and confer dialogue.

28

1 The burden of persuasion in any such challenge proceeding shall be on the Designation
 2 Party. Until the court rules on the challenge, all parties shall continue to afford the material in
 3 question the level of protection to which it is entitled under the Producing Party's designation.

4 7. ACCESS TO AND USE OF PROTECTED MATERIAL

5 7.1 Basic Principles. A Receiving Party may use Protected Material that is disclosed or
 6 produced by another Party or by a non-party in connection with this case only for prosecuting,
 7 defending, or attempting to settle this litigation. Such Protected Material may be disclosed only to
 8 the categories of persons and under the conditions described in this Order. When the litigation has
 9 been terminated, a Receiving Party must comply with the provisions of section 11, below (FINAL
 10 DISPOSITION).

11 Protected Material must be stored and maintained by a Receiving Party at a location and in
 12 a secure manner that ensures that access is limited to the persons authorized under this Order.

13 7.2 Disclosure of "CONFIDENTIAL" Information or Items. Unless otherwise ordered
 14 by the court or permitted in writing by the Designation party, a Receiving Party may disclose any
 15 information or item designated CONFIDENTIAL only to:

16 (a) the Receiving Party's Outside Counsel of record in this action as well as employees
 17 of said Counsel to whom it is reasonably necessary to disclose the information for this litigation;

18 (b) the officers, directors, and employees (including House Counsel) of the Receiving
 19 Party to whom disclosure is reasonably necessary for this litigation and who have signed the
 20 "Agreement to Be Bound by Protective Order" (Exhibit A);

21 (c) experts (as defined in this Order) of the Receiving Party to whom disclosure is
 22 reasonably necessary for this litigation and who have signed the "Agreement to Be Bound by
 23 Protective Order" (Exhibit A);

24 (d) the Court and its personnel;

25 (e) court reporters, their staffs, and professional vendors to whom disclosure is
 26 reasonably necessary for this litigation and who have signed the "Agreement to Be Bound by
 27 Protective Order" (Exhibit A);
 28

(f) during their depositions, witnesses in the action to whom disclosure is reasonably necessary and who have signed the "Agreement to Be Bound by Protective Order" (Exhibit A). Pages of transcribed deposition testimony or exhibits to depositions that reveal Protected material must be separately bound by the court reporter and may not be disclosed to anyone except as permitted under this Stipulated Protective Order.

(g) the author of the document or the original source of the information.

7.3 Disclosure of "HIGHLY CONFIDENTIAL – ATTORNEYS' EYES ONLY" Information or Items. Unless otherwise ordered by the court or permitted in writing by the Designating Party, a Receiving Party may disclose any information or item designated "HIGHLY CONFIDENTIAL – ATTORNEYS' EYES ONLY" only to:

(a) the Receiving Party's Outside Counsel of record in this action, as well as employees of said Counsel to whom it is reasonably necessary to disclose the information for this litigation and who have signed the "Agreement to Be Bound by Protective Order" that is attached hereto as Exhibit A;

(b) the Receiving Party's House Counsel directly involved in supervision of the instant litigation to whom disclosure is reasonably necessary for this litigation and who have signed the "Agreement to Be Bound by Protective Order" that is attached hereto as Exhibit A. Parties reserve the right to seek a further protective order from the court to specifically exclude House Counsel from viewing certain documents;

(c) Experts (as defined in this Order) (1) to whom disclosure is reasonably necessary for this litigation, (2) who have signed the "Agreement to Be Bound by Protective Order" (Exhibit A), and (3) as to whom the procedures set forth in paragraph 7.4, below, have been followed;

(d) the Court and its personnel;

(e) court reporters, their staffs, and professional vendors to whom disclosure is reasonably necessary for this litigation and who have signed the "Agreement to Be Bound by Protective Order" (Exhibit A); and

(f) the author of the document or the original source of the information.

Information or Items to Experts: Unless otherwise ordered by the court or agreed in writing by the Designating Party, a Party that seeks to disclose to an "Expert" (as defined in this order) any "Highly Confidential Attorneys' Eyes Only" information or items

1 7.4 Procedures for Approving Disclosure of "HIGHLY CONFIDENTIAL –
2 ATTORNEYS' EYES ONLY" first must make a written request to the Designation Party that: (1)
3 identifies the specific HIGHLY CONFIDENTIAL information that the Receiving Party seeks
4 permission to disclose to the Expert, (2) sets forth the full name of the Expert and the city and
5 state of his or her primary residence, (3) attaches a copy of the Expert's current resume, (4)
6 identifies the Expert's current employer(s), (5) identifies each person or entity from whom the
7 Expert has received compensation for work in his or her areas of expertise or to whom the expert
8 has provided professional services at any time during the preceding five years, and (6) identifies
9 (by name and number of the case, filing date, and location of the court) any litigation in
10 connection with which the Expert has provided any professional serves during the preceding five
11 years.

12 (b) A Party that makes a request and provides the information specified in the
13 preceding paragraph may disclose the subject Protected Material to the identified Expert unless,
14 within seven court days of delivering the request, the Party receives a written objection from the
15 Designating Party. Any such objection must set forth in detail the grounds on which it is based.

16 (c) A Party that receives a timely written objection must meet and confer with the
17 Designating party (though direct voice to voice dialogue) to try to resolve the matter by
18 agreement. If no agreement is reached, the Party seeking to make the disclosure to the Expert may
19 file a motion as provided in Civil Local Rule 37 (and in compliance with Civil Local Rule 79-5, if
20 applicable) seeking permission from the court to do so. Any such motion must describe the
21 circumstances with specificity, set forth in detail the reasons for which the disclosure to the Expert
22 is reasonably necessary, assess the risk of harm that the disclosure would entail and suggest any
23 additional means that might be used to reduce that risk. In addition, any such motion must be
24 accompanied by a competent declaration in which the movant describes the parties' efforts to
25 resolve the matter by agreement (*i.e.*, the extent and the content of the meet and confer
26 discussions) and sets forth the reasons advanced by the Designating Party for its refusal to approve
27 the disclosure.

28

1 In any such proceeding the Party opposing disclosure to the Expert shall bear the burden of
 2 proving that risk of harm that the disclosure would entail (under the safeguards proposed)
 3 outweighs the Receiving Party's need to disclose the Protected Material to its Expert.

4 Identification of the Expert for this purpose shall not be construed to constitute a waiver of
 5 any privilege, including, *inter alia*, the attorney work product doctrine.

6
 7 **8. PROTECTED MATERIAL SUBPOENAED OR ORDERED PRODUCED IN**
 8 **OTHER LITIGATION**

9 If a Receiving Party is served with a subpoena or an order or other lawful court process
 10 issued in other litigation that would compel disclosure of any information or items designated in
 11 this action as "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL – ATTORNEYS' EYES
 12 ONLY", the Receiving Party must so notify the Designation Party, in writing (by fax, if possible)
 13 immediately and in no event more than three court days after receiving the subpoena or order.
 14 Such notification must include a copy of the subpoena or court order.

15 The Receiving Party also must immediately inform in writing the party who caused the
 16 subpoena or order to issue in the other litigation that some or all the material covered by the
 17 subpoena or order is the subject of this Protective Order. In addition, the Receiving Party must
 18 deliver a copy of this Stipulated Protective Order promptly to the party in the other action that
 19 caused the subpoena or order to issue.

20 The purpose of imposing these duties is to alert the interested parties to the existence of
 21 this Protective Order and to afford the Designating Party in this case an opportunity to try to
 22 protect its confidentiality interest in the court from which the subpoena or order issued. The
 23 Designat^{ing}~~ing~~ Party shall bear the burdens and the expenses of seeking protection in that court of its
 24 confidential material and nothing in these provisions should be construed as authorizing or
 25 encouraging a Receiving Party in this action to disobey a lawful directive from another court.

1 **9. UNAUTHORIZED DISCLOSURE OF PROTECTED MATERIAL.**

2 If a Receiving Party learns that, by inadvertence or otherwise, it has disclosed Protected
3 Material to any person or in any circumstance not authorized under this Stipulated Protective
4 Order, the Receiving Party must immediately: (a) notify in writing the Designating Party of the
5 unauthorized disclosures, (b) use its best efforts to retrieve all copies of the Protected Material, (c)
6 inform the person or persons to whom unauthorized disclosures were made of all the terms of this
7 Order, and (d) request such persons or persons to execute the "Acknowledgment and Agreement
8 to Be Bound" that is attached hereto as Exhibit A.

9
10 **10. FILING PROTECTED MATERIAL.**

11 Without written permission from the Designating Party or a court order secured after
12 appropriate notice to all interested persons, a Party may not file in the public record in this action
13 any Protected Material. A Party that seeks to file under seal any Protected Material must comply
14 with Civil Local Rule 79-5.

15
16 **11. FINAL DISPOSITION.**

17 Unless otherwise ordered or agreed in writing by the Producing Party, within sixty days
18 after the final termination of this action, each Receiving Party must return all Protected Material to
19 the Producing Party. As used in this subdivision, "all Protected Material" includes all copies,
20 abstracts, compilations, summaries or any other form of reproducing or capturing any of the
21 Protected Material. With permission in writing from the Designating Party, the Receiving Party
22 may destroy some or all the Protected Material instead of returning it. Whether the Protected
23 Material is returned or destroyed, the Receiving Party must submit a written certification to the
24 Producing Party (and, if not the same person or entity, to the Designation Party) by the sixty day
25 deadline that identifies (by category, where appropriate) all the Protected Material that was
26 returned or destroyed and that affirms that the Receiving Party has not retained any copies,
27 abstracts, compilations, summaries or other forms of reproducing or capturing any of the Protected
28 Material. Notwithstanding this provision, Counsel are entitled to retain an archival copy of all

pleadings, motion papers, transcripts, legal memoranda, correspondence or attorney work product, even if such materials contain Protected Material. Any such archival copies that contain or constitute Protected Material remain subject to this Protective Order as set forth in Section 4 (DURATION), above.

12. MISCELLANEOUS

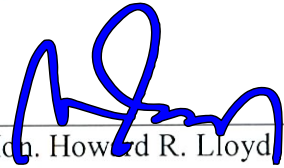
12.1 Right to Further Relief. Nothing in this Order abridges the right of any person to seek its modification by the Court in the future.

12.2 Right to Assert Other Objections. By stipulating to the entry of this Protective Order no Party waives any right it otherwise would have to object to disclosing or producing any information or item on any ground not addressed in this Stipulated Protective Order. Similarly, no Party waives any right to object on any ground to use in evidence of any of the material covered by this Protective Order.

(AS MODIFIED BY THE COURT),

PURSUANT TO STIPULATION, IT IS SO ORDERED.

DATED: **March 27, 2007**


Hon. Howard R. Lloyd
United States Magistrate Judge
Northern District of California

IT IS SO STIPULATED, THROUGH COUNSEL OF RECORD.

DATED: March 22, 2007

By: /s/ Gill Sperlein
Gill Sperlein
General Counsel, Io Group, Inc.
Attorney for Plaintiff Io Group, Inc.

DATED: March 21, 2007

By: Peter Huang
Peter O. Huang
Wang Hartman & Gibbs
Attorneys for Defendant
Webnovas Technologies, Inc. and
Gonetmarket, Inc.

EXHIBIT A

ACKNOWLEDGMENT AND AGREEMENT TO BE BOUND

I, _____, of _____, declare under penalty of perjury that I have read in its entirety and understand the Stipulated Protect Order that was issued by the United States District Court for the Northern District of California in the case of **Io Group, Inc. v. Webnovas Technologies, et al. Case No. C 06-5334 (HRL)**. I agree to comply with and to be bound by all the terms of this Stipulated Protective Order and I understand and acknowledge that failure to so comply could expose me to sanctions and punishment in the nature of contempt. I solemnly promise that I will not disclose in any manner any information or time that is subject to this Stipulated Protective Order to any person or entity except in the strict compliance with the provisions of this Order.

I further agree to submit to the jurisdiction of the United States District Court for the Northern District of California for the purpose of enforcing the terms of this Stipulated Protective Order, even if such enforcement proceedings occur after termination of this action.

I hereby appoint _____ of _____ as my California agent for service of process in connection with this action or any proceedings related to enforcement of this Stipulated Protective Order.

Date: _____

City and State where sworn and signed: _____

Printed Name: _____

Signature: _____